

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: March 31, 2016  
Estimated average burden  
hours per response: . . . . 12.00

SEC FILE NUMBER  
8-48212

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/14 AND ENDING 12/31/14  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: *Seafower Carpenter Capital*

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**5 Park Plaza, Suite 950**

OFFICIAL USE ONLY  
FIRM I.D. NO.

**Irvine** (No. and Street) **CA** **92614**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**Curt A. Christianssen** (949) 579-1442

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

**Windes, Inc.**

(Name - if individual, state last, first, middle name)  
**111 West Ocean Boulevard, Suite 2200** **Long Beach** **CA** **90802**  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.



**15048104**

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

## OATH OR AFFIRMATION

I, Curt A. Christianssen, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Seapower Carpenter Capital, Inc., as of December 31, 20 14, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

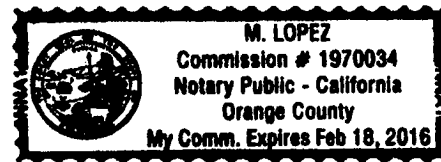
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Signature

Chief Financial Officer

Title

  
Notary Public



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

**Seapower Carpenter Capital, Inc.**

**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**Financial Statements**

**For the Year Ended December 31, 2014**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of  
Seapower Carpenter Capital, Inc.

We have audited the accompanying financial statements of Seapower Carpenter Capital, Inc. (a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company) (the Company), which comprise the statement of financial condition as of December 31, 2014, and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. Seapower Carpenter Capital, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Seapower Carpenter Capital, Inc. as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information contained in Schedule I, Computation of Net Capital Under Rule 15c3-1; and, Schedule II, Computation for Determination of Reserve Requirements Under Rule 15c3-3 (exemption) and Information for Possession or Control Requirements Under Rule 15c3-3 (exemption) has been subjected to audit procedures performed in conjunction with the audit of Seapower Carpenter Capital, Inc.'s financial statements. The supplemental information is the responsibility of Seapower Carpenter Capital Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Winder, Inc.*

Long Beach, California

February 25, 2015

**SEAPOWER CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2014**

**ASSETS**

ASSETS	
Cash	\$ 9,967
Prepaid expenses	608
Deposit	<u>2,748</u>
 TOTAL ASSETS	 <u><u>\$ 13,323</u></u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

LIABILITIES	
Accounts payable	<u>\$ -</u>
 STOCKHOLDER'S EQUITY	
Common stock, no par value, 10,000 shares authorized; 5,000 shares issued and outstanding	  35,000
Additional paid-in capital	232,386
Accumulated deficit	<u>(254,063)</u>
	13,323
 TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	 <u><u>\$ 13,323</u></u>

The accompanying notes are an integral part of these financial statements.

**SEAPOWER CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

REVENUE	
Financial advisory services	\$ -
GENERAL & ADMINISTRATIVE EXPENSES	<u>71,184</u>
LOSS FROM OPERATIONS	<u>(71,184)</u>
OTHER INCOME	
Interest income	<u>23</u>
LOSS BEFORE BENEFIT FOR INCOME TAXES	(71,161)
BENEFIT FOR INCOME TAXES	<u>(18,309)</u>
NET LOSS	<u><u>\$ (52,852)</u></u>

The accompanying notes are an integral part of these financial statements.



**SEAPOWER CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Shares Issued and Outstanding</b>	<b>Common Stock</b>	<b>Additional Paid-In Capital</b>	<b>Accumulated Deficit</b>	<b>Total</b>
BALANCE AT JANUARY 1, 2014, AS PREVIOUSLY REPORTED	5,000	\$ 35,000	\$ 300,000	\$ (309,716)	\$ 25,284
PRIOR PERIOD ADJUSTMENT <i>(Note 5)</i>	<u>-</u>	<u>-</u>	<u>(108,505)</u>	<u>108,505</u>	<u>-</u>
BALANCE AT JANUARY 1, 2014, AS RESTATED	5,000	35,000	191,495	(201,211)	25,284
NET LOSS	-	-	-	(52,852)	(52,852)
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>40,891</u>	<u>-</u>	<u>40,891</u>
<b>BALANCE AT DECEMBER 31, 2014</b>	<b><u>5,000</u></b>	<b><u>\$ 35,000</u></b>	<b><u>\$ 232,386</u></b>	<b><u>\$ (254,063)</u></b>	<b><u>\$ 13,323</u></b>

The accompanying notes are an integral part of these financial statements.

**SEAPOWER CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net loss	\$ (52,852)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in operating assets and liabilities:	
Prepaid expenses	22
Deposit	(723)
Net Cash Used In Operating Activities:	<u>(53,553)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Capital contributions	40,891
Net Cash Provided by Financing Activities:	<u>40,891</u>

**NET CHANGE IN CASH** (12,662)

**CASH AT BEGINNING OF YEAR** 22,629

**CASH AT END OF YEAR** \$ 9,967

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during the year for:

Income taxes paid to parent	\$ 800
Interest	<u>-</u>

The accompanying notes are an integral part of these financial statements.

**SEAPOWERS CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**NOTE 1 – Nature of Business and Summary of Significant Accounting Policies**

This summary of significant accounting policies of Seapower Carpenter Capital, Inc. (the company) is presented to assist in understanding the company's financial statements.

***Organization and Operations***

Seapower Carpenter Capital, Inc. is incorporated under the laws of the state of California and is a wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company (the parent).

The company, a registered broker-dealer with the Securities and Exchange Commission, provides professional securities services with a focus on private best efforts placements of securities for financial services clients, mergers, and acquisitions. These services are incidental to the financial consulting activities of the parent. The company is also a member of the Financial Industry Regulatory Authority.

***Use of Estimates and Assumptions***

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

***Financial Advisory Services***

Financial advisory services revenue includes fee earned from providing merger and acquisition and financial advisory services. Revenue from financial advisory services is recorded on the closing date of the transaction.

**SEAPOWERS CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**NOTE 1 – Nature of Business and Summary of Significant Accounting Policies**  
**(Continued)**

***Provision for Income Taxes and Deferred Income Taxes***

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. The company files its tax return on a consolidated basis with the parent under a tax sharing agreement, which requires the company to provide for taxes on the “separate return” basis. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statements and income tax purposes.

The company recognizes the effect of income tax positions taken or expected to be taken in a tax return only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being recognized. Additionally, previously recognized tax positions that no longer meet the more-likely-than-not threshold should be derecognized in the first financial reporting period in which that threshold is no longer met. Changes in recognition or measurement will be reflected in the period in which the change in judgment occurs.

The company’s income tax filings are subject to audit by various taxing authorities. The company’s open audit periods are three and four years for federal and California tax filings, respectively. In evaluating the company’s tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations, and tax planning strategies are considered. The company had no material adjustments to its liabilities for unrecognized income taxes under the guidelines for uncertainty in income taxes and believes their estimates are appropriate based on current facts and circumstances.

***Subsequent Events***

The company has evaluated subsequent events from the statement of financial condition date through February 25, 2015, the date at which the financial statements were available to be issued, and determined there are no other items to disclose.

**SEAPOWERS CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**NOTE 2 – Basis of Preparation**

The accompanying financial statements have been prepared on a going concern basis, which assumes that the company will be able to continue to fund operations. While the company has incurred recurring operating losses, the parent has made capital contributions each year to fund operations and maintain adequate capital. The parent has provided the company with a written commitment to maintain or exceed the minimum net capital requirements on an ongoing basis. Further, the financial statements and notes are the representation of the company's management, which is responsible for their integrity and objectivity.

**NOTE 3 – Related-Party Activities**

The parent pays the majority of general and administrative expenses, which are allocated to the company through the due-to-parent account pursuant to a services and expenses sharing agreement between the company and its parent. The agreement provides for allocations that correspond to and are representative of the level of activity of the company throughout the year. This includes expenses related to back-office support and overhead. The company paid approximately \$34,100 to the parent for allocated general and administrative expenses for the year ended December 31, 2014. The due-to-parent account is also credited or debited for the company's benefit for income taxes when it is recognized.

The company provides financial consulting services for the parent's clients, which may range from zero to five engagements per year.

**NOTE 4 – Net Capital Requirements**

The company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires both the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, each as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2014, the company had net capital of \$9,967, which was \$4,967 in excess of its required net capital of \$5,000. The company's ratio of aggregate indebtedness to net capital was zero.

**SEAPOWERS CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**NOTE 5 – Prior Period Adjustment**

During the current year, the company performed an analysis of the allocation of net operating losses utilized for the tax benefit of the parent. Through this analysis, an error in the prior year allocation of the tax benefit was identified and subsequently corrected.

Prior year capital contributions were reclassified as payments to the company for the utilization of tax benefits with a corresponding tax benefit recognized in the statement of operations. In addition, the deferred tax asset and corresponding valuation allowance was adjusted to reflect the benefit received by the company for the use of the net operating losses by the parent.

**NOTE 6 – Benefit for Income Taxes**

For the year ended December 31, 2014, the company calculated a benefit for income taxes of \$19,109 based on a pre-tax net loss of \$71,961. The total deferred tax benefit related to the federal net operating loss carryforward was \$3,088 at December 31, 2014, with a valuation allowance of \$3,088 applied. The benefit will be recognized by the company as it is realized on the consolidated federal tax filings. The federal loss carryover expires in 2031.

**SEAPOWER CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**SUPPLEMENTARY INFORMATION**

**SCHEDULE I**  
**COMPUTATION OF NET CAPITAL PURSUANT TO UNIFORM NET**  
**CAPITAL RULE 15C3-1 AND RECONCILIATION WITH COMPUTATION**  
**INCLUDED IN THE COMPANY'S CORRESPONDING UNAUDITED**  
**FORM X-17A-5 PART IIA FILING**  
**DECEMBER 31, 2014**

**CREDITS**

Stockholder's equity per company's unaudited	
X-17A-5 Part IIA Filing	\$ 13,323

**AUDIT ADJUSTMENTS**

-

<b>STOCKHOLDER'S EQUITY PER FINANCIAL STATEMENTS</b>	13,323
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Nonallowable assets	<u>(3,356)</u>
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<b>NET CAPITAL</b>	9,967
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<b>MINIMUM NET CAPITAL REQUIREMENTS - THE GREATER</b> <b>OF \$5,000 OR 6-2/3% OF AGGREGATE INDEBTEDNESS</b>	<u>5,000</u>
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Excess net capital	<u>\$ 4,967</u>
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Excess net capital at 1000%	<u>\$ 4,967</u>
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<b>AGGREGATE INDEBTEDNESS INCLUDED IN STATEMENT OF</b> <b>FINANCIAL CONDITION</b>	<u>\$ -</u>
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<b>RATIO: AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<u>0</u>
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Note: A reconciliation of the above computation to the company's corresponding unaudited Form X-17A-5, Part II, is not required, as no material differences exist.

See Report of Independent Registered Public Accounting Firm.

**SEAPOWERS CARPENTER CAPITAL, INC.**  
**(A wholly owned subsidiary of CCFW, Inc. dba Carpenter & Company)**

**SUPPLEMENTARY INFORMATION**

**SCHEDULE II**  
**DECEMBER 31, 2014**

1. Computation of Reserve Requirements Pursuant to Rule 15c3-3:

Not applicable because the company is exempt under Rule 15c3-3 section (k)(2)(i) –  
“Special Account for the Exclusive Benefit of Customers” maintained.

2. Information Relating to Possession or Control Requirement under Rule 15c3-3:

Not applicable because the company is exempt under Rule 15c3-3 section (k)(2)(i) –  
“Special Account for the Exclusive Benefit of Customers” maintained.

See Report of Independent Registered Public Accounting Firm.



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder  
of Seapower Carpenter Capital, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report under SEA Rule 17a-5(d)(4), in which (1) Seapower Carpenter Capital, Inc. (the Company) identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3(k)(i) (the "exemption provisions") and (2) Seapower Carpenter Capital, Inc. stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. Seapower Carpenter Capital, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Seapower Carpenter Capital, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Windes, Inc.*

Long Beach, California

February 25, 2015

## SEAPOWER CARPENTER CAPITAL, INC.

February 25, 2015

As the management of Seapower Carpenter Capital, Inc., I am responsible for complying with 17C.F.R. Section 240.17a-5, "Reports to be made by certain brokers and dealers" and complying with 17 C.F.R. Section 240 Rule 15c3-3 of which we have claimed an exemption under provision (k)(2)(i) – "Special Account for the Exclusive Benefit of Customers". I have performed an evaluation of the firm's compliance with the requirements of 17 C.F.R. Section 240.17a-5 and the following exemption provision (k)(2)(i):

- (2) The provisions of this section shall not be applicable to a broker or dealer:
  - (i) Who carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and its customers through one or more bank accounts, each to be designated as "Special Account for the Exclusive Benefit of Customers of (name of the broker or dealer)";

Based on my evaluation, we have met the identified exemption provision throughout the most recent fiscal year from January 1, 2014 to December 31, 2014 without exception.

SEAPOWER CARPENTER CAPITAL, INC.

Curt A. Christianssen  
Executive Vice President/Chief Financial Officer